



# PROPOSED RULE MAKING

**CR-102 (June 2004)**

(Implements RCW 34.05.320)

Do **NOT** use for expedited rule making**Agency:** Washington Horse Racing Commission

- ☒ **Preproposal Statement of Inquiry was filed as WSR 09-15-117; or**  
☐ **Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or**  
☐ **Proposal is exempt under RCW 34.05.310(4).**

- ☒ **Original Notice**  
☐ **Supplemental Notice to WSR \_\_\_\_\_**  
☐ **Continuance of WSR \_\_\_\_\_**

**Title of rule and other identifying information:** (Describe Subject) WAC 260-36-220 Additional premiums for stalls and horses started, and WAC 260-36-230 Short duration industrial insurance coverage.**Hearing location(s):**  
Auburn City Council Chambers  
25 W. Main  
Auburn, WA 98002Date: November 12, 2009 Time: 9:30 a.m.**Date of intended adoption:** November 12, 2009  
(Note: This is **NOT** the **effective** date)**Submit written comments to:**Name: Robert J. Lopez  
Address: 6326 Martin Way, Suite 209  
Olympia, WA 98516-5578  
e-mail [rlopez@whrc.state.wa.us](mailto:rlopez@whrc.state.wa.us)  
fax (360)459-6461 by (date) November 2, 2009**Assistance for persons with disabilities:** ContactPatty Sorby \_\_\_\_\_ by November 2, 2009TTY (360) 459-6462 or ( ) \_\_\_\_\_**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

WAC 260-36-220 (1) To amend this section to clarify how exercise rider premiums are determined at Class A, B and C tracks; (2) To eliminate the current per twelve horse calculation and set premiums based upon each horse in training (stalled at a Class A or B track or started at a Class C track); and (3) To clarify the trainer's responsibility to maintain records and to accurately report the number of horses, which would require the trainer to pay additional industrial insurance premiums to cover licensed exercise riders.

WAC 260-36-230 To exclude the industrial insurance premiums for exercise riders from the short duration exception to the requirement to pay full coverage. In other words, a trainer who obtains short duration industrial insurance coverage, still must pay the full premiums required to cover exercise riders.

**Statutory authority for adoption:** RCW 67.16.020**Statute being implemented:****Is rule necessary because of a:**

Federal Law? ☐ Yes ☒ No  
Federal Court Decision? ☐ Yes ☒ No  
State Court Decision? ☐ Yes ☒ No  
If yes, CITATION:

**DATE** October 5, 2009**NAME** (type or print)  
Robert J. Lopez**SIGNATURE****TITLE** Executive Secretary**CODE REVISER USE ONLY**OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED**DATE:** October 05, 2009  
**TIME:** 8:39 AM**WSR 09-20-068**

(COMPLETE REVERSE SIDE)

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

None

**Name of proponent:** (person or organization) Washington Horse Racing Commission

- ☐ Private  
☐ Public  
☒ Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Robert J. Lopez	6326 Martin Way, Suite 209 Olympia, WA 98516-5578	(360) 459-6462
Implementation.... Robert J. Lopez	6326 Martin Way, Suite 209 Olympia, WA 98516-5578	(360) 459-6462
Enforcement..... Robert J. Lopez	6326 Martin Way, Suite 209 Olympia, WA 98516-5578	(360) 459-6462

**Has a small business economic impact statement been prepared under chapter 19.85 RCW?**

☐ Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone (     ) \_\_\_\_\_

fax     (     ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No. Explain why no statement was prepared. Not applicable

**Is a cost-benefit analysis required under RCW 34.05.328?**

☐ Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone (     ) \_\_\_\_\_

fax     (     ) \_\_\_\_\_

e-mail \_\_\_\_\_

☒ No: Please explain: Not applicable

AMENDATORY SECTION (Amending WSR 08-05-087, filed 2/15/08, effective 3/17/08)

**WAC 260-36-220 Industrial insurance premiums--Additional premiums for ~~((stalls and horses started))~~ exercise riders.** (1) At the time of licensing, and as provided in this section, a trainer must pay ~~((all))~~ the annual industrial insurance premiums for exercise riders established by labor and industries, unless exempted under WAC 260-36-240.

(2) (a) A trainer at a Class A or B track must pay all required annual industrial insurance premiums ~~((based upon the number of stalls the trainer has))~~ for exercise riders equal to the maximum number of horses in training on any given day during the calendar year that the trainer has both on and off the grounds of a racing association. ~~((All trainers at a Class A or B track are required to pay at least one stall premium at the time of licensing. As to stalls off the grounds of a racing association, a trainer must count all stalls that are used for horses subject to being ridden by licensed exercise riders employed by the trainer, if the exercise riders are to be covered by Washington labor and industries industrial insurance under the horse industry account.))~~

(b) ~~((The calculations for number of stalls will be based upon stalls allotted by the racing association.~~

(c) ~~The number of stall premiums that a trainer is required to pay will be determined as follows:~~

(i) ~~For zero to twelve stalls a trainer must pay for one stall premium;~~

(ii) ~~For thirteen to twenty-four stalls a trainer must pay for two stall premiums;~~

(iii) ~~For twenty-five to thirty-six stalls a trainer must pay for three stall premiums; and~~

(iv) ~~For thirty-seven or more stalls a trainer must pay for four stall premiums.))~~ For horses on the grounds of a Class A or B track, a trainer must count stalls that are occupied by horses under the trainer's care. Premiums will be calculated on the total number of stalls allotted by the racing association, even if the horse is stalled on the grounds for a day or less. (For example, if a trainer comes to Washington to enter or nominate his/her horse in one race and the horse is only on the grounds for one day, the trainer is required to pay the full industrial insurance premium for that one horse.) Stalls assigned for pony horses will not be counted.

(c) For horses off the grounds, a trainer must count all horses in training that are subject to being ridden by licensed exercise riders, if the exercise riders are to be covered by the Washington labor and industries insurance under the horse industry account.

(d) If any trainer increases the number of ~~((stalls))~~ horses in training or racing, either on or off the grounds~~((7))~~ during the ~~((license))~~ calendar year, the trainer is responsible to pay the additional ~~((stall))~~ premiums ~~((owed))~~ as provided in this section.

(e) If any trainer decreases the number of horses in training or racing, either on or off the grounds during the calendar year, the trainer is not entitled to any refund as premiums are annual fees that are not prorated and are assessed on the maximum number of horses in training on any day during the calendar year.

(f) It is the trainer's responsibility to maintain records and accurately report the number of horses in training (both on and off the grounds) for purposes of paying industrial insurance premiums required by this section. Any time during the calendar year if a trainer increases the number of horses in training or racing beyond the premium previously assessed the trainer is responsible for immediately reporting and paying the additional premium owed.

(3)(a) A trainer at a Class C track must pay industrial insurance ~~((horse-start))~~ premiums ~~((based upon the))~~ for exercise riders equal to the maximum number of different horses the trainer starts at the Class C tracks during the calendar year, or the maximum number of horses the trainer has in training, whichever is greater. All trainers at a Class C track are required to pay industrial insurance for at least one ~~((horse-start premium))~~ horse.

~~(b) ((The number of horse start premiums a trainer is required to pay will be determined as follows:~~

~~(i) For zero to twelve different horses started, a trainer must pay for one horse-start premium;~~

~~(ii) For thirteen to twenty-four different horses started, a trainer must pay for two horse-start premiums;~~

~~(iii) For twenty-five to thirty-six different horses started, a trainer must pay for three horse-start premiums; and~~

~~(iv) For thirty-seven or more different horses started, a trainer must pay for four horse-start premiums.~~

~~((c)) If ~~((7))~~ during the calendar year~~((7))~~ a horse is started by more than one trainer~~((7))~~ that horse will count as a different horse for each trainer for the purpose of calculating the number of horse-start premiums required.~~

~~((d)) (c) It is the ~~((trainer is responsible))~~ trainer's responsibility to maintain ~~((their))~~ records ~~((of))~~ and accurately report the number of different horses started~~((, and to pay the additional horse-start premiums owed, when they))~~ or in training for the purpose of paying industrial insurance premiums required in this section. Any time during the calendar year if a trainer increases the number of different horses started ~~((in a race as described in this section))~~ or the total number of horses in training beyond the premium previously assessed the trainer is responsible for immediately reporting and paying the additional premium owed.~~

**WAC 260-36-230 Short duration industrial insurance coverage.**

(1) Trainers entering horses to run in Washington races will be allowed to obtain short duration industrial insurance coverage ~~((under the following))~~ that will reduce the trainer's base premium and the groom and/or assistant trainer slot(s). The reduced premiums for short duration coverage will not apply to the additional premiums required to cover exercise riders as provided in WAC 260-36-220. The following conditions will apply for short duration coverage:

(a) Trainers who ship in to Class A or B race meets may purchase short duration industrial insurance coverage for seven consecutive calendar days. The trainer must pay twenty percent of the trainer base premium, and twenty percent for each groom slot or assistant trainer slot obtained(~~(, assistant trainer hired, and each industrial insurance stall premium as required in WAC 260-36-220))~~ (all rounded to the next whole dollar). The base premium used for this calculation will be the industrial insurance premiums established for Class A or B race meets. A trainer may only purchase Class A or B race meet short duration coverage for three seven-day periods per calendar year.

(b) Trainers who ship in to Class C race meets may purchase short duration industrial insurance coverage for seven consecutive calendar days. The trainer must pay twenty percent of the trainer base premium, and twenty percent of each groom slot or assistant trainer slot obtained(~~(, assistant trainer hired, and each industrial insurance horse start premium as required in WAC 260-36-220))~~ (all rounded to the next whole dollar). The base premium used for this calculation will be the industrial insurance premiums established for Class C race meets. A trainer may only purchase Class C race meet short duration coverage for three seven-day periods per calendar year. Class C race meet short duration industrial insurance coverage is not transferable to a Class A or B race meet.

(2) Before short duration coverage will be allowed, a trainer must obtain a license and pay all applicable license and fingerprint fees required in WAC 260-36-085. The trainer is also required to ensure that each groom, assistant trainer, pony rider, and exercise rider hired by the trainer has a proper license. A trainer may only employ persons on the grounds of the racing association who are properly licensed by the commission.